



NORTH CAROLINA CODE OFFICIALS QUALIFICATION BOARD

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FRANK M. PAGE, JR., PE
Chief Certification Engineer

May 2, 2006

MEMORANDUM

TO: Director of Inspections

FROM: I. Hayden Lutterloh *HL/HL*
Chairman
NC Code Officials Qualification Board

SUBJECT: Issuance of Building Permit to Unlicensed Individual

In 2005 the North Carolina General Assembly passed legislation requiring the North Carolina Code Officials Qualification Board to "take steps to ensure that building inspectors enforce the requirements of G.S. 87-14." G.S. 87-14 - Regulations as to Issue of Building Permits mandates the building inspection department to require the permit applicant to "furnish satisfactory proof . . . that he or another person contracting to superintend or manage the construction is duly licensed under the terms of this Article". The Board is concerned that unlicensed individuals engaging in the business of contracting in excess of \$30,000 are obtaining permits when they do not comply with the "owner's exemption" requirements as allowed in G.S. 87-1.

In an effort to assure that an unlicensed individual applying for a permit under the "owner's exemption" will act as his or her own general contractor, the Board has included a list of questions that could be used when determining the exemption applicability. These questions concern the intent and awareness of the obligations that the permit applicant assumes when he or she obtains a permit. As the issuing authority of permits and to comply with G.S. 87-14, you are responsible for determining the compliance of all mandatory general statutes, including the issuance of the permits.

As Chairman, I encourage you and your department to be diligent in your consideration, assessment and issuance of permits. It is vital that this part of the construction process be upheld. If you have questions concerning the qualifications for the "owner's exemption" for permit issuance, please do not hesitate to call the NC Licensing Board for General Contractors at 919-571-4183.

UNLICENSED BUILDING PERMIT APPLICANT QUESTIONNAIRE

1. Do you own the land on which this building will be constructed?

If yes, go to question 2.

If no, applicant is not eligible for a permit under "owner's exception".

2. Have you hired or intend to hire an individual to superintend and manage construction of the project?

If yes, applicant is not eligible for a permit under "owner's exception".

If no, go to question 3.

3. Do you intend to directly control and supervise construction activities?

If yes, go to question 4.

If no, applicant is not eligible for a permit under "owner's exception".

4. Do you intend to schedule, contract, or directly pay for all phases of construction work to be done?

If yes, go to question 5.

If no, applicant is not eligible for a permit under "owner's exception".

5. Do you intend to personally occupy the building for at least 12 consecutive months following completion of construction and do you understand that if you do not do so, it creates the presumption under law that you fraudulently secured the permit?

If yes, applicant may be entitled to permit under the "owner's exception".

If no, applicant is not eligible for a permit under "owner's exception".